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C O N F I D E N T I A L BAGHDAD 002467

SIPDIS

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TAGS: [ECON](#) [ETRD](#) [KPBT](#) [PREL](#) [EFIN](#) [IZ](#)  
SUBJECT: MOVING THE GOI TOWARD INCLUDING ANTI-ARAB LEAGUE  
BOYCOTT LANGUAGE IN MOH CONTRACTS

REF: A. BAGHDAD 760  
[1](#)B. DAVIDSON-EMBASSY BAGHDAD E-MAIL 25 FEB 08

Classified By: Acting DCM Charles Ries for reasons 1.4 (b) and (d).

[1](#)1. (C) SUMMARY: The Deputy Health Minister will instruct MOH officials to change the standard wording of procurement and other contracts in a way that will eliminate Arab League Boycott (ALB) language, replacing it with language that does not violate U.S. anti-Boycott legislation. End Summary.

[1](#)2. (C) Embassy officials met Aug. 5 with Deputy Health Minister Abdullah Issam to urge that ALB language that has been included in a pending Ministry of Health (MOH) contract with a U.S. firm be eliminated and replaced with anti-Boycott language. EconCouns explained to Issam that U.S. legislation does not permit American firms to sign contracts that contain explicit ALB language. Eliminating ALB language will allow Iraqi firms to conduct business with U.S. firms and thereby, in the case of the Ministry of Health, provide the highest quality U.S. pharmaceuticals and medical equipment to Iraqi citizens. EconCouns further offered to meet with MOH procurement and contracting officials to help them revise standard contracting language to serve these purposes. Commercial Attache noted that Kimadia, the Ministry's procurement arm, is currently seeking to procure the services of an American firm, but that firm is unable to sign because the contract it has been offered contains ALB language that violates U.S. law.

[1](#)3. (C) Issam agreed that the MOH needed to find standard contracting language that did not violate U.S. law. He committed to facilitating a meeting between Embassy personnel and Kimadia procurement executives, and said he would instruct them to work with us to find acceptable language. He additionally requested the Embassy's assistance in identifying U.S. firms to partner with the MOH to improve healthcare nationwide, and acknowledged that contracts which prevent U.S. companies from doing business in Iraq would undermine the Ministry's efforts to provide the best possible health care to all Iraqi citizens.

[1](#)4. (C) COMMENT: We will meet with MOH and Kimadia officials as soon as possible to provide them examples of the anti-Boycott language DOC has provided us (Ref B). We are cautiously optimistic that these developments move us a step closer to our goal (Ref A) of ensuring non-implementation in Iraq of ALB provisions. End Comment.  
CROCKER